



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Accept the Quarterly Investment Account report as required by law SB564

MEETING DATE: November 19, 2003

PREPARED BY: Deputy Treasurer


RECOMMENDED ACTION: That the City Council by motion/action accept the quarterly report of the City of Lodi pooled money investment account as required by SB564.

BACKGROUND INFORMATION:

The investment report is currently included in the monthly executive report distributed to Council. SB564 required local agency treasurers to submit a report on investments at a public meeting. The City of Lodi has an investment policy, which is submitted to council for approval on an annual basis. Copies of the policy are available in the Finance Department. In addition to the quarterly report on investments in the City of Lodi pooled money investment account, a breakdown Treasury Inventory by type has been included in a chart format. Also included is the most current report of the Local Agency Summary of Investment Data and the State of California pooled money investment account market valuation.

The City of Lodi maintains membership in the California Municipal Treasurers Association and conforms to guide lines set forth by the CMTA investment report committee. The Finance Department will continue to include the investment report monthly as part of the executive report.

FUNDING: None.

  
Vicky McAthle  
Finance Director/Treasurer

APPROVED: \_\_\_\_\_

  
H. Dixon Flynn -- City Manager



City of Lodi  
Portfolio Management  
Portfolio Summary  
September 30, 2003

City of Lodi  
212 W. Pine St.  
Lodi, CA 95240  
(209)333-6800

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	14,996,458.39	14,996,458.39	14,996,458.39	69.74	1	1	1.746	1.770
Certificates of Deposit - Bank	1,300,000.00	1,300,000.00	1,300,000.00	6.05	209	52	1.355	1.374
Passbook/Checking Accounts	5,206,188.67	5,206,188.67	5,206,188.67	24.21	1	1	0.000	0.000
<b>Investments</b>	<b>21,502,647.06</b>	<b>21,502,647.06</b>	<b>21,502,647.06</b>	<b>100.00%</b>	<b>14</b>	<b>4</b>	<b>1.299</b>	<b>1.317</b>
<b>Total Earnings</b>	<b>September 30 Month Ending</b>		<b>Fiscal Year To Date</b>					
Current Year	24,602.10		71,909.85					
Average Daily Balance	22,248,740.57		20,540,656.00					
Effective Rate of Return	1.35%		1.39%					

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next 30 days. Union Bank of California is the source of market valuation.

Marcella Maxine Cadwallader 10-03-03  
Marcella Maxine Cadwallader, Revenue Manager/Deputy Treas.

**City of Lodi**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**September 30, 2003**

Page 2

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
<b>Local Agency Investment Funds</b>												
LAIF	1000	Local Agency Invest. Fund			14,083,978.36	14,083,978.36	14,083,978.36	1.770		1.746	1	
LPIC	1001	Local Agency Inv Fund (LPIC)			912,480.03	912,480.03	912,480.03	1.770		1.746	1	
Subtotal and Average			15,996,458.39		14,996,458.39	14,996,458.39	14,996,458.39			1.746	1	
<b>Certificates of Deposit - Bank</b>												
WEST	59	Bank of the West		04/17/2003	100,000.00	100,000.00	100,000.00	1.190		1.190	199	04/17/2004
BA	57	Bank of America		12/17/2002	100,000.00	100,000.00	100,000.00	1.300		1.300	77	12/17/2003
FM	60	Farmers and Merchants Bank		04/26/2003	1,000,000.00	1,000,000.00	1,000,000.00	1.400		1.400	22	10/23/2003
LODI	61	Bank of Lodi		09/28/2003	100,000.00	100,000.00	100,000.00	1.140		1.124	177	03/26/2004
Subtotal and Average			1,300,000.00		1,300,000.00	1,300,000.00	1,300,000.00			1.365	52	
<b>Passbook/Checking Accounts</b>												
BACK	4003	Bank of America		07/01/2003	189,898.07	189,898.07	189,898.07			0.000	1	
	4000	Farmers & Merchants			5,016,290.60	5,016,290.60	5,016,290.60			0.000	1	
Subtotal and Average			5,085,615.51		5,206,188.67	5,206,188.67	5,206,188.67			0.000	1	
Total Investments and Average			22,248,740.57		21,502,647.06	21,502,647.06	21,502,647.06			1.299	4	

Portfolio CITY  
AC

City of Lodi  
Portfolio Management  
Portfolio Details - Cash  
September 30, 2003

Page 3

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to 360 Maturity
Total Cash and Investments			22,248,740.57		21,502,647.06	21,502,647.06	21,502,647.06			1.299	4

Portfolio CITY

AC

Run Date: 10/03/2003 - 11:24

PM (PRF\_PM2) SymRept V5.01f

**City of Lodi**  
**Portfolio Management**  
**Investment Activity By Type**  
**September 1, 2003 through September 30, 2003**

Page 4

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Sales/Maturities or Withdrawals	Balance
<b>Local Agency Investment Funds (Monthly Summary)</b>							
LAIF	1000	Local Agency Invest. Fund	1.770		2,000,000.00	2,000,000.00	
		Subtotal			2,000,000.00	2,000,000.00	14,998,458.39
<b>Certificates of Deposit - Bank</b>							
LODI	58	Bank of Lodi	1.880	09/28/2003	0.00	100,000.00	
LODI	61	Bank of Lodi	1.140	09/28/2003	100,000.00	0.00	
		Subtotal			100,000.00	100,000.00	1,300,000.00
<b>Passbook/Checking Accounts (Monthly Summary)</b>							
BACK	4003	Bank of America			357,173.34	367,623.13	
	4000	Farmers & Merchants			13,532,926.80	13,397,746.16	
		Subtotal			13,890,100.14	13,765,369.29	5,206,188.67
		Total			15,980,100.14	15,865,369.29	21,502,647.06

Portfolio CITY

AC

PM (PRF\_PM3) SymRept V5.01f

Run Date: 10/03/2003 - 11:24

**City of Lodi**  
**Portfolio Management**  
**Investment Activity Summary**  
**September 2002 through September 2003**

Page 5

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Securities Purchased	Number of Securities Matured / Sold	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
September	2002	8	12,183,102.24	2.430	2.464	2.750	0	0	108	24
October	2002	8	14,537,636.82	1.966	1.994	2.630	2	2	91	29
November	2002	8	12,026,947.82	2.377	2.410	2.630	0	0	109	29
December	2002	9	14,147,608.12	2.031	2.059	2.630	1	0	96	23
January	2003	9	14,999,501.80	1.767	1.792	2.310	0	0	90	17
February	2003	9	17,129,142.84	1.879	1.905	2.310	0	0	79	11
March	2003	9	17,242,066.90	1.867	1.893	2.310	0	0	79	7
April	2003	9	17,437,901.80	1.638	1.660	1.980	3	2	78	16
May	2003	8	18,050,764.27	1.394	1.414	1.980	0	1	16	12
June	2003	8	18,686,213.39	1.509	1.529	1.980	0	0	17	11
July	2003	8	20,920,950.24	1.339	1.358	1.770	1	0	14	7
August	2003	8	21,377,916.21	1.311	1.329	1.770	0	0	14	5
September	2003	8	21,502,647.06	1.299	1.317	1.770	1	1	14	4
Average		8	16,787,876.89	1.754%	1.779%	2.217	1	0	82	15

Portfolio CITY

AC

PM (PRF\_PM4) SymRept V5.01f

**City of Lodi**  
**Portfolio Management**  
**Distribution of Investments By Type**  
**September 2002 through September 2003**

Page 6

Investment Type	September 2002	October 2002	November 2002	December 2002	January 2003	February 2003	March 2003	April 2003	May 2003	June 2003	July 2003	August 2003	September 2003	Average by Period
Local Agency Investment Funds	59.9	50.7	61.3	52.1	49.4	57.8	57.4	57.1	66.2	71.6	71.7	70.2	69.7	61.2%
Certificates of Deposit - Bank	9.9	8.3	10.0	9.2	8.7	7.6	7.5	7.5	7.2	7.8	6.2	6.1	6.1	7.8%
Certificates of Deposit - S & L														
Passbook/Checking Accounts	21.9	34.1	20.3	31.6	35.2	28.7	29.1	29.7	26.6	20.6	22.1	23.8	24.2	26.8%
Corporate Medium Term Note	8.3	7.0	8.4	7.2	6.8	5.9	5.9	5.9						4.3%
Commercial Paper - Interest Bearing														
Repurchase Agreements														
Federal Agency Issues - Coupon														
Treasury Securities - Coupon														
Mortgage Backed Securities														
Bankers Acceptances -Amortizing														
Commercial Paper Disc. -Amortizing														
Federal Agency Disc. -Amortizing														
Treasury Discounts -Amortizing														
Miscellaneous Discounts -Amortizing														

Portfolio CITY

AC

PM (PRF\_PM5) SymRept V5.01f

**City of Lodi  
Portfolio Management  
Interest Earnings Summary  
September 30, 2003**

Page 7

September 30 Month Ending

Fiscal Year To Date

**CD/Coupon/Discount Investments:**

Interest Collected	576.45	3,988.65
Plus Accrued Interest at End of Period	3,659.34	3,659.34
Less Accrued Interest at Beginning of Period	( 2,711.27)	( 2,959.74)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	1,524.52	4,688.25
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	1,524.52	4,688.25

**Pass Through Securities:**

Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	0.00	0.00

**Cash/Checking Accounts:**

Interest Collected	0.00	47,772.47
Plus Accrued Interest at End of Period	67,102.46	67,102.46
Less Accrued Interest at Beginning of Period	( 44,024.88)	( 47,653.33)
Interest Earned during Period	23,077.58	67,221.60

<b>Total Interest Earned during Period</b>	<b>24,602.10</b>	<b>71,909.85</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>0.00</b>

<b>Total Earnings during Period</b>	<b>24,602.10</b>	<b>71,909.85</b>
-------------------------------------	------------------	------------------

Portfolio CITY

AC

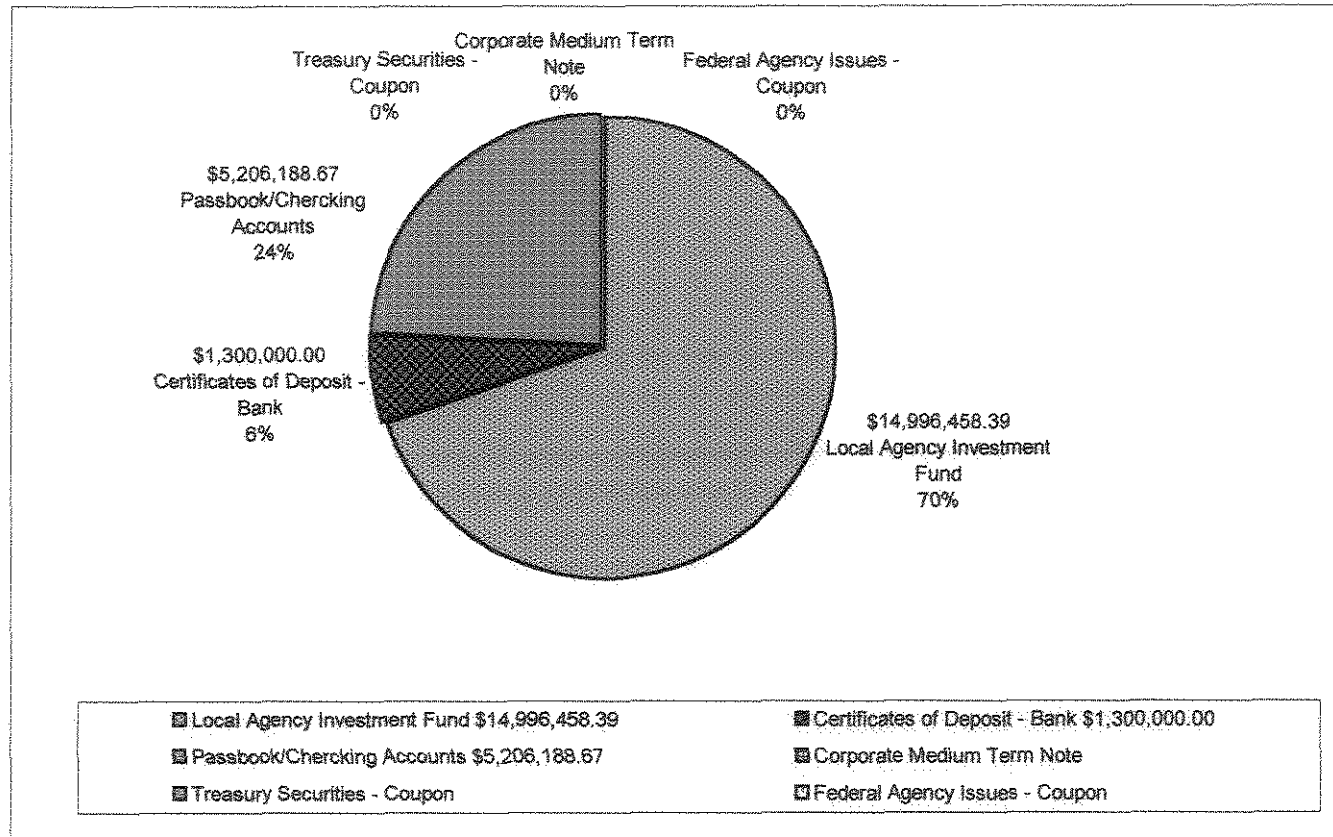
PM (PRF\_PM6) SymRept V5.01f



# BREAKDOWN OF TREASURY INVENTORY BY TYPE

September 30, 2003

<u>Type of Security</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Maximum Maturity</u>
Local Agency Investment Fund	\$14,996,458.39	69.742383%	Indefinite
Certificates of Deposit - Bank	\$1,300,000.00	6.045767%	5 years
Passbook/Checking Accounts	\$5,206,188.67	24.211850%	Indefinite
Corporate Medium Term Note		0.000000%	5 years
Treasury Securities - Coupon		0.000000%	5 years
Federal Agency Issues - Coupon		0.000000%	5 years
	<u>\$21,502,647.06</u>	<u>100.00%</u>	



PHILIP ANGELIDES  
TREASURER  
STATE OF CALIFORNIA

INVESTMENT DIVISION SELECTED INVESTMENT DATA  
ANALYSIS OF THE POOLED MONEY INVESTMENT ACCOUNT PORTFOLIO  
(000 OMITTED)

June 30, 2003

<u>TYPE OF SECURITY</u>	AMOUNT	PERCENT	PERCENTAGE CHANGE FROM PRIOR MONTH
Government			
Bills	\$ 1,593,303	2.87	+2.02
Bonds	0	0	0
Notes	8,311,148	15.00	+3.31
Strips	0	0	0
Total Governments	\$ 9,904,451	17.87	+5.33
Federal Agency Coupons	\$ 4,665,606	8.42	+3.41
Certificate of Deposits	5,740,493	10.36	-9.04
Bank Notes	100,003	0.18	-0.67
Bankers' Acceptances	0	0	0
Repurchases	0	0	0
Federal Agency Discount Notes	8,440,754	15.23	+2.24
Time Deposits	5,575,095	10.06	+0.58
GNMAs	572	0	0
Commerical Paper	14,023,307	25.30	+4.59
FHLMC	4,910	0.01	0
Corporate Bonds	2,236,844	4.04	+0.68
Pooled Loans	4,730,471	8.53	+1.15
GF Loans	0	0	-8.27
Reversed Repurchases	0	0	0
Total (All Types)	\$ 55,422,506	100.00	

Average Life of Portfolio as of June 30, 2003 is 212 Days

**State of California**  
**Pooled Money Investment Account**  
**Market Valuation**  
**6/30/03**

Carrying Cost Plus								
Description	Accrued Interest	Purch.	Amortized Cost	Fair Value	Accrued Interest			
United States Treasury:								
Bills	\$	1,593,302,528.44	\$	1,594,820,514.45	\$	1,594,487,000.00	NA	
Notes	\$	8,311,148,231.63	\$	8,309,408,466.47	\$	8,387,837,750.00	\$	57,535,050.75
Federal Agency:								
SBA	\$	418,240,502.15	\$	418,193,019.64	\$	414,684,597.42	\$	1,169,480.25
MBS	\$	563,169,383.63	\$	562,001,552.66	\$	557,524,284.67	\$	2,689,111.37
Bonds	\$	3,684,196,081.50	\$	3,676,197,528.68	\$	3,727,374,915.20	\$	27,399,962.94
Floaters	\$	-	\$	-	\$	-	\$	-
Discount Notes	\$	8,440,753,808.79	\$	8,447,281,574.36	\$	8,447,522,204.80		NA
FHLMC PC	\$	4,910,307.30	\$	4,910,307.30	\$	5,361,043.64	\$	78,920.45
GNMA	\$	571,948.84	\$	571,948.84	\$	671,481.69	\$	5,688.12
Bankers Acceptances	,\$	-	\$	-	\$	-		NA
Bank Notes	\$	100,003,100.12	\$	99,999,989.00	\$	100,017,433.00	\$	80,888.89
CDs	\$	5,740,493,275.49	\$	5,740,069,608.83	\$	5,739,690,640.95	\$	6,985,758.35
Commercial Paper	\$	14,023,307,029.39	\$	14,038,546,040.13	\$	14,040,328,864.80		NA
Corporate:								
Floaters	\$	303,583,690.21	\$	303,583,690.21	\$	303,221,090.00	\$	581,331.39
Bonds	\$	1,933,260,633.79	\$	1,928,418,579.56	\$	1,963,049,600.06	\$	25,630,194.53
Repurchase Agreements	\$	-			\$	-		NA
Reverse Repurchase	\$	-	\$	-	\$	-	\$	-
Time Deposits	\$	5,575,095,000.00	\$	5,575,095,000.00	\$	5,575,095,000.00		NA
AB 55 & GF Loans	\$	4,730,470,588.15	\$	4,730,470,588.15	\$	4,730,470,588.15		NA
TOTAL	\$	55,422,506,109.43	\$	55,429,568,408.28	\$	55,587,336,494.38	\$	122,156,387.04

Fair Value Including Accrued Interest

\$ 55,709,492,881.42

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.002846280). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,056,925.61 or \$20,000,000.00 x 1.002846280.